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Chairperson
Frederick E. Russell, Jr.
Vice Chair/Secretary
Marcell R. Todd, Jr.
Director
M. Rory Bolger, AICP
Deputy Director

City of Detroit

CITY PLANNING COMMISSION
202 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-6225 Fax: (313) 224-4336
e-mail: cc-cpc@detroitmi.gov

Brenda Goss Andrews
Regina R. Banner
Thomas Christensen
Lisa Whitmore Davis
Arthur Simons
Dr. Darryl Totty
Roy Levy Williams

February 26, 2012

RE: Request to approve Senate Bill No. 146 from the Detroit City Planning Commission

Dear Michigan Legislature:

The Detroit City Planning Commission respectfully requests the Michigan Legislature to pass Senate Bill No. 146 introduced by Senator Coleman A. Young II and referred to the Committee on Economic Development. The subject Bill would amend the Neighborhood Enterprise Zone (NEZ) Act, Act 147 of 1992, to allow NEZ tax breaks for an existing housing development within Detroit.

Background

In 1996, the City established the Islandview Village Neighborhood NEZ to encourage new housing construction in a 61-acre area generally bounded by Kercheval, Shipherd, Lafayette, and Sheridan.

In 2004-2005, Residential Detroit, Inc. proposed to build several townhouse condominiums in the subject area and applied for NEZ certificates on behalf of future owners. As part of this development project, in January 2005, City Council recommended approval of 27 NEZ certificates for this project, which included new housing at 1500-1504 Field Street. In August 2005, Ms. Jo Ann King purchased 1504 Field Street and began receiving the 12-year NEZ tax break.

However, in 2010, it was discovered by the State that the property at 1500-1504 Field Street was, in fact, outside the Islandview Village NEZ. As a result, in December 2010, the State Tax Commission revoked the NEZ certificate for 1500-1504 Field.

In January 2012, Ms. King pleaded to the City Council for help, in part because the developer and City told her when she bought the townhouse, that her property was eligible for an NEZ tax break. The resulting tax increase has caused her mortgage to jump from \$1,623.44 to \$2,606.95 per month, which has put her in danger of foreclosure.

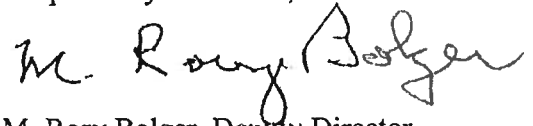
Follow-up

In September 2012, the Detroit City Council approved the establishment of the Islandview Village NEZ #2, which includes the subject 1500-04 Field properties. However, the NEZ Act requires that applicants apply for NEZ certificates, prior to applying for building permits. Over

the years, the NEZ Act has been amended several times to “grandfather-in” projects that did not meet this requirement.

Senate Bill No. 146 would allow the subject Field Street properties to be eligible for NEZ certificates. We look forward to a prompt response, and thank you for your assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "M. Rory Bolger". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

M. Rory Bolger, Deputy Director

Christopher J. Gulock, Staff

Michigan Department of Treasury
4605 (4-07)



Neighborhood Enterprise Zone Exemption Certificate

New Certificate No. N2005-0032

Pursuant to the provisions of Public Act 147 of 1992, as amended, the State Tax Commission hereby finds that the residential property owned by Jo Ann King, and located at 1504 Field, City of Detroit, County of Wayne, Michigan, within a Neighborhood Enterprise Zone designated for the purpose the construction of new residential property, complies with Section 2 and with other provisions of the act.

Therefore, as provided by MCL 207.771 to 207.787, inclusive, the State Tax Commission hereby issues a Neighborhood Enterprise Zone Exemption Certificate for the property whose property identification number is 17012661.001 and whose legal description is on file with the local governmental unit.

This certificate provides the authority for the assessor to exempt the new facility for which this Neighborhood Enterprise Zone certificate is in effect, but not the land on which the facility is located, from ad valorem taxation. This certificate further provides the authority to levy a specific tax known as the Neighborhood Enterprise Zone tax.

This certificate, unless revoked as provided by Public Act 147 of 1992, as amended, shall remain in force for a period of 15 year(s);

Beginning December 31, 2009, and ending December 30, 2024.

This Neighborhood Enterprise Zone certificate is issued on February 9, 2010.



Kelli Sobel, Executive Secretary
State Tax Commission

A TRUE COPY
ATTEST:

Deborah J. Abbruzzese
Michigan Department of Treasury



STATE TAX COMMISSION
ORDER OF REVOCATION
Neighborhood Enterprise Zone Certificate

Certificate Number N2005-0032

Certificate Holder: Jo Ann King

Facility Location: City of Detroit

County of Wayne, State of Michigan

Pursuant to the requirements of Public Act 147 of 1992, as amended, the State Tax Commission shall by order revoke the certificate.

On December 20, 2010, the State Tax Commission acted upon the request to revoke the Neighborhood Enterprise Zone Certificate number N2005-0032, located at 1504 Field, City of Detroit, Wayne County, as the "new" facility is not located within an existing Neighborhood Enterprise Zone.

Therefore, it is ordered that the Neighborhood Enterprise Zone Certificate number N2005-0032 be revoked effective December 30, 2010.

Signed December 20, 2010



Robert H. Naftaly, Chair

A TRUE COPY
ATTEST:

Deborah J. Abbuzzese
Michigan Department of Treasury

NOTICE OF ASSESSMENT, TAXABLE VALUATION AND PROPERTY CLASSIFICATION

FROM: CITY OF DETROIT
FINANCE-ASSESSMENTS DIVISION
P.O. BOX 44410
DETROIT, MI 48244

**THIS IS NOT A
TAX BILL**

NAME AND ADDRESS OF OWNER OR PERSON NAMED ON ASSESSMENT ROLL:

KING, JO-ANN
1504 FIELD ST UNIT 51
DETROIT, MI 48214-2373

PROPERTY IDENTIFICATION: 17012661.001

1504 FIELD 51/H2

B SHERIDAN BLDG H2 UNIT 51 A K A WAYNE COUNTY CONDO SUB
PLAN NO 574 ENGLISH VILLAGE AT ISLANDVIEW L32689 P85-157, DEEDS,
W C R FIRST AMENDMENT RECORDED L34395 P872-882, DEEDS, W C R
17/565 1.49254% NEZ REHAB CERT#N2005-0032, RELATED

THIS PROPERTY IS CLASSIFIED AS: 403, 403-RESIDENTIAL CONDOS

DISTRICT #: 3

PRIOR YEAR'S CLASSIFICATION: 403, 403-RESIDENTIAL CONDOS

Prior to 1995, your taxes were calculated on State Equalized Value (see line 4 below). State Equalized Value (SEV) is the Assessed Value multiplied by the Equalization Factor, if any (see line 3 below). State Equalized Value must be approximately 50% of market value.

Proposal A, passed by the voters on March 15, 1994, places a limit on the value used to compute property taxes. Starting in 1995, your property taxes were calculated on Taxable Values (see line 1 below). If there is a number entered in the "Change" column at the right side of the Taxable Value line, that number is not your change in taxes. It is the change in Taxable Value.

IF THERE WAS A TRANSFER OF OWNERSHIP on your property in 2010, your 2011 Taxable Value will be the same as your State Equalized Value. Please see line 5 below regarding Transfer of Ownership on your property.

IF THERE WAS NOT A TRANSFER OF OWNERSHIP on your property in 2010, your 2011 Taxable Value is calculated by multiplying your 2010 Taxable Value (see line 1 below) by 1.017 (which is the Inflation Rate Multiplier for the current year). Physical changes in your property may increase or decrease the Taxable Value. In most cases, your 2011 Taxable Value should not be higher than your 2011 State Equalized Value.

Principal Residence Exemption: 100.0000%	PRIOR AMOUNT YEAR: 2010	CURRENT AMOUNT YEAR: 2011	CHANGE
1. TAXABLE VALUE (Current amount is tentative):	2,050	153,867	151,817
2. ASSESSED VALUE:	2,050	157,981	155,931
3. TENTATIVE EQUALIZATION FACTOR: 1.0000			
4. STATE EQUALIZED VALUE (Current amount is tentative):	2,050	157,981	155,931
5. There WAS/WAS NOT a transfer of ownership on this property in 2010. WAS NOT			

*** BASED ON 2010 TAX RATES YOUR CITY, SCHOOL AND COUNTY PROPERTY TAXES MAY CHANGE THIS YEAR BY: \$10,107.40**

*Now IN
Effect*

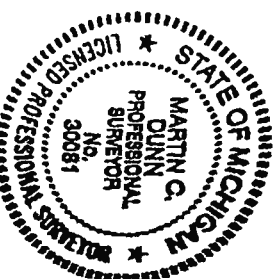
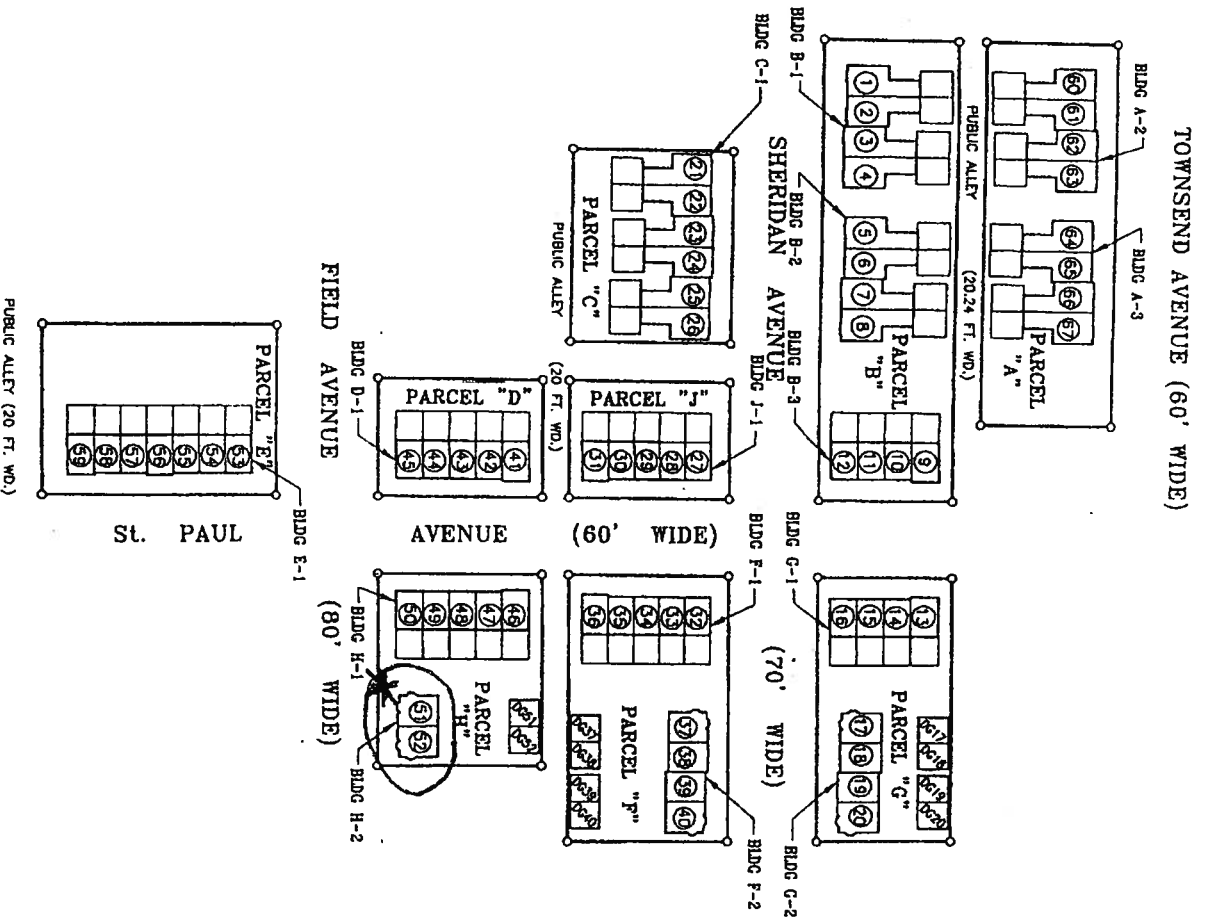
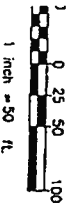
HOMEOWNER'S PRINCIPAL RESIDENCE AFFIDAVIT INFORMATION REQUIRED BY P.A. 247 OF 2003: If you purchased your principal residence after May 1 last year, to claim the principal residence exemption, if you have not already done so, you are required to file an affidavit before May 1 this year. The denial of an exemption from the local school operating tax for a "homeowner's principal residence" may be appealed to the Michigan Tax Tribunal.

PROPERTY CLASSIFIED AS RESIDENTIAL: If you believe the property value, the property classification, or the information on line 5 is incorrect, you must appeal during the ASSESSORS REVIEW PERIOD, February 1st - 15th, 8:30 A.M. - 4:30 P.M., Monday - Saturday. Protest during the Assessors Review Period may be made in person, by letter or electronically to: Assessors Review, Two Woodward Avenue, Coleman A Young Municipal Center, Room 804, Detroit, MI 48226. Protest during the February Assessors Review Period is required to protect your right to appear before the March Board of Review. Protest to the March Board of Review is necessary to protect your right for further appeals to the Michigan Tax Tribunal.

PROPERTY CLASSIFICATION APPEALS: If you believe the property classification is incorrect, you must appeal during the ASSESSORS REVIEW PERIOD, February 1st - 15th, 8:30 A.M. - 4:30 P.M., Monday - Saturday. Protest during the Assessors Review Period may be made in person, by letter or electronically to: Assessors Review, Two Woodward Avenue, Coleman A Young Municipal Center, Room 804, Detroit, MI 48226. Protest during the February Assessors Review Period is required to protect your right to appear before the March Board of Review. Protest at the March Board of Review is necessary to protect your right for further Classification Appeals to the Michigan State Tax Commission.

PROPERTY CLASSIFIED COMMERCIAL REAL, INDUSTRIAL REAL: Note: Appeal to the March Board of Review is not required. However, if desired, an appeal must be made during the ASSESSORS REVIEW PERIOD (see above paragraph for deadline and mailing address) in order to appeal to the March Board of Review OR an appeal can be made directly to the Michigan Tax Tribunal, P.O. Box 30232, Lansing MI 48909, prior to May 31.

PROPERTY CLASSIFIED COMMERCIAL PERSONAL, INDUSTRIAL PERSONAL, UTILITY PERSONAL: Note: Appeal to the March Board of Review is not required. However, if desired, an appeal may be made to the March Board of Review (see above paragraph for deadline and mailing address) OR directly to the Michigan Tax Tribunal, P.O. Box 30232, Lansing MI 48909, prior to May 31, ONLY IF A PERSONAL PROPERTY STATEMENT WAS FILED with the local unit, prior to the commencement of the Board of Review, as provided by MCL 211.19.



Martin C. Quinn

① UNIT NUMBER

DGI DETACHED GARAGE/UNIT

Attachment # 2

"MUST BE BUILT"

PROPOSED AUGUST 20, 2001

DATE	BT	DRAWN BY:	D.E. GREEN
CHECK BY:	G.A.T.	BOOK NO.:	248
PAGE NO.:	37.18		

METCO
1364 SPRING STREET, 4TH FLOOR
DETROIT, MI 48202-4274
Phone: (313) 963-1100 Fax: (313) 963-1101
www.metcoinc.com

ENGLISH VILLAGE AT ISLANDVIEW
CITY OF DETROIT, WAYNE COUNTY, MICHIGAN

SITE COMPOSITE PLAN
CLIENT: RESIDENTIAL & DETROIT INC.

TRUE COPY CERTIFICATE

STATE OF MICHIGAN,

ss.

City of Detroit

CITY CLERKS OFFICE, DETROIT

I,

Janice M. Winfrey

, City Clerk of the City of Detroit, in said

State, do hereby certify that the annexed paper is a TRUE COPY OF RESOLUTION

adopted (passed) by the City Council at session of

September 4, 20 12

and approved by Mayor

September 17, 20 12

as appears from the Journal of said City Council in the office of the City Clerk of Detroit, aforesaid; that I have compared the same with the original, and the same is a correct transcript therefrom, and of the whole of such original.

In Witness Whereof, I have hereunto set my hand and affixed the corporate seal of said City, at

Detroit, this 5th 1

day of October A.D. 20 12

Janice M. Winfrey

CITY CLERK



BY COUNCIL MEMBER

Jenkins

WHEREAS, Michigan's Public Act 147 of 1992, the Neighborhood Enterprise Zone Act ("the Act"), provides for the establishment of Neighborhood Enterprise Zones (NEZs), the exemption from *ad valorem* taxes, and the imposition of a specific property tax in lieu of *ad valorem* real property taxes within NEZs; and

WHEREAS, the City of Detroit meets all the distress criteria set forth within the Act; and

WHEREAS, the Detroit City Council finds that designation of certain areas as NEZs is consistent with the adopted Master Plan, as amended, and will further the economic and physical development goals and objectives of the City by encouraging new housing starts and housing rehabilitation, thereby aiding in the preservation of existing neighborhoods and preventing further decay in others; and

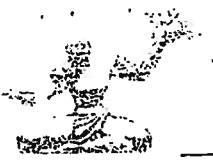
WHEREAS, the Detroit City Council has found the establishment of the Islandview II NEZ to be consistent with the Detroit Master Plan of Policies and the neighborhood preservation and development goals of the City; and

WHEREAS, the Detroit City Council has adopted a statement of goals, objectives and policies relative to the maintenance, preservation, improvement, and development of housing for all persons regardless of income level living within proposed NEZs; and

WHEREAS, the Detroit City Council has enacted a housing inspection ordinance requiring that before the sale of a unit in a new or rehabilitated facility for which an NEZ Certificate is in effect, an inspection is to be made of the unit to determine compliance with Chapter 26 of the Code of the City of Detroit; and

WHEREAS, the Act requires that the designation of NEZs must be approved by a resolution adopted by the local governmental unit subsequent to a public hearing at which any taxpayer or resident, or representative of any taxing authority levying a property tax in the City of Detroit, was given the opportunity to address the requested establishment of an NEZ; and

WHEREAS, a public hearing on the issue of establishing the Islandview II NEZ was conducted before the Detroit City Council on June 21, 2012, with notice of the public hearing having been given to the general public and by certified mail to every taxing authority levying a property tax with the City of Detroit; and



WHEREAS, no impediments to the establishment of the Islandview II NEZ where cited;

NOW THEREFORE BE IT

RESOLVED, that the land area described in the attached legal description, and shown on the attached map, is hereby established as the Islandview II NEZ pursuant to Public Act 147 of 1992, the Neighborhood Enterprise Zone Act.

ADOPTED AS FOLLOWS:
COUNCIL MEMBERS...

		YEAS	NAYS	YEAS	NAYS
Gary	BROWN			✓	
Kenneth V.	COCKREL, JR.			✓	
Saunleel	JENKINS			✓	
Brenda	JONES			✓	
Kwame	KENYATTA			✓	
Andre L.	SPIVEY			✓	
James	TATE			✓	
Jo Ann	WATSON			✓	
Charles	PRESIDENT: PUGH				
* PRESIDENT PRO TEM.				9	0